

Feedback Form

OEB/IESO Joint Engagement on DER Integration – May 26, 2023

Feedback Provided by:

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Following the May 26, 2023 OEB/IESO Joint Engagement session, the Ontario Energy Board (OEB) and the Independent Electricity System Operator (IESO) are seeking feedback from participants on the joint engagement in general as well as the updates to the list of cross-cutting issues presented.

The referenced presentations can be found on the [DER Roadmap webpage](#).

Please provide feedback by June 26, 2023 to engagement@ieso.ca. Please use subject header: *OEB/IESO Joint Engagement*. To promote transparency, this feedback will be posted on the [DER Roadmap webpage](#) unless otherwise requested by the sender.

The IESO and OEB will work to consider and incorporate comments as appropriate and post responses on the webpage.

Thank you for your contribution.

OEB/IESO Joint Engagement

Topic	Feedback
Are there additional potential cross-cutting issues related to DER integration that should be considered for collaboration between the OEB/IESO? If so, do you have suggestions on how these issues could be addressed at future sessions?	ESC is generally supportive of the cross-cutting initiatives that have been identified.
Given the scope of work, are there any specific initiatives or concerns that should receive focused attention?	Opportunities to use DERs as NWA continues to be a high priority for ESC members. Given the magnitude of investments that are required to enable electrification in Ontario, ESC encourages the OEB and IESO to move forward with planning and regulatory initiatives that would enable streamlined NWA adoption by LDCs.

General Comments/Feedback on Joint Initiatives

As noted above, ESC is generally supportive of the cross-cutting initiatives identified by OEB/IESO. However, with respect to the Pricing, Program and Procurement (3 P) Interactions, we observe that the scope is too narrow and excludes “delivery cost rate design.” As noted by the OEB’s recent study on Electric Vehicle Delivery Costs, rate design is an important factor in DER investments and the business case for DER deployment. DERs can also be responsive to price signals experienced through rate design and the allocation of delivery costs. These factors are explored in ESC’s submission to the OEB in response to the EVI initiative.

Therefore, the Brattle Group’s study must include delivery costs explicitly. Currently the list on slide 13 of the update referencing “Prices” only indicates commodity prices (e.g., TOU, ICI, HOEP, MCP). The omission of delivery costs in the 3 P study would result in significant inaccuracies with respect to the incentives that are experienced by DERs.

For ease of reference, ESC’s submission on demand charges is here: <https://www.rds.oeb.ca/CMWebDrawer/Record/796204/File/document>

General Comments/Feedback on OEB DER Activities

We are encouraged as the OEB takes next steps with respect to implementing recommendations of the FEI engagement, particularly as it relates to enabling NWAs.

As noted above, we are also supportive of the OEB moving forward with next steps related to the EVI initiatives and encourage the OEB to consider rate design more holistically as a mechanism to ensure appropriate price signals are provided to customers (including storage resources).

General Comments/Feedback for the IESO DER Activities

ESC is also encouraged by recent IESO activities to enable DERs. We note the importance of accelerating DER integration in the wholesale market to enable participation in procurement and the ability of DERs to provide the required energy and capacity needed to meet Ontario's growing electricity demands.